IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORIGINAL SIDE.

INCOME TAX REFERENCE NO. 412 OF 1998..

The Commissioner of Income-tax,
Central-II, Bombay. .. Applicant,
vs.
M/s Parle Products P.Ltd. .. Respondent.

Shri A.S. Rao for the Applicant.
None for the respondent.

CORAM: V.C.DAGA &
J.P.DEVADHAR,JJ.
DATED: 22-3-2005.

P.C.

1. Heard learned Counsel for the applicant. The Tribunal has referred the question for the opinion of this Court reading as under:

> " Whether on the facts and in the circumstances of the case and in law, the Income-tax Appellate Tribunal was justified in holding that provisions of sec.40(c) and not 40A are applicable to the remuneration paid to the director employees and on that ground confirming the deletion by CIT(A) of the disallowance of Rs. 3,05,335/-."

2. The above question has already been answered by the Division Bench of this Court in the case of C.I.T. vs. Hico Products Pvt.Ltd. (No.1) (1993) 201 I.T.R. 567 (Bom.) in favour of the assessee and against the revenue. In this view of the matter, question stands answered in affirmative for the reasons stated in the case of Hico Products (P) Ltd. Reference, accordingly stands disposed of with no order as to costs.

(J.P.DEVADHAR,J.) (V.C.DAGA,J.)